

53. Akhidime, Augustine Ehijeagbon, & **Chinwuba Okafor** (2011) Creative accounting in Nigeria: An empirical analysis.. *Nigerian Journal of Finance and Management*, May 12(2), 331-340, A publication of the Department of Economics, Imo State University, Owerri, Nigeria.

CREATIVE ACCOUNTING IN NIGERIA:AN EMPIRICAL ANALYSIS

ABSTRACT

Creative accounting constitutes the instrument for fraudulent financial reporting that entails intentional misstatement by corporate management of financial results in order to mislead investors and other users of published financial reports is considered a universal phenomenon. While much is reported and known about the practice of creative accounting in the developed world, the practice does not seem to have a good share or wide knowledge and publicity in Nigeria. This descriptive empirical study seeks to ascertain the opinions and attitudes of various categories of accountants in Nigeria who are the preparers of financial statements about the reported incidence of creative accounting including possible measures towards its curtailment. The study reveals that creative accounting has long been a long practice among companies in Nigeria, traces the motives behind the practice to selfish interests of few stakeholders to the detriment of the common good of the larger society. Measures for the curtailment of the practice are found to lie in the collaborative efforts of the professional accounting bodies, accounting training institutions, the government and the judiciary.